kulski, Democrat of Maryland. The other members continued their fund raising on a limited basis.

While Mr. Coats's contributions from bankers far outweighed funds from college officials, the amounts were closer for both Mr. Dodd and Ms. Mikulski.

Neither, so far, has received the type of support that Senator Pell, a long-time champion of education programs, got in 1989-90. Fearing a tough challenge from Republican Claudine Schneider, Mr. Pell's fund raisers brought in $1.8-million, which included almost $25,000 from college officials.

Opposition to Direct Loans

Mr. Pell received nearly $5,000 from students, but it was not possible to tell where many of them were enrolled. Teachers' unions, which count some college professors among their members, contributed $20,000.

Mr. Pell, who has opposed direct loans during the reauthorization process, was supported by bankers and loan-guarantee agencies as well. Bankers gave Mr. Pell $21,315 in personal funds and nearly $44,000 from PACs in 1989-90. He received $4,000 from guarantee-agency officials and $4,000 from a PAC run by the Higher Education Assistance Foundation, a large guarantor of student loans that

"Our record in graduating and providing access to underrepresented students has been much more the reason why we've been listened to."

collapsed in 1990 under the weight of too many defaulted loans.

In the House, many of the highest-ranking members of the post-secondary-education subcommittee had no contributors who identified themselves as college officials.

Rep. Pat Williams, the Montana Democrat who is a former chairman of the panel, was among the few with support from campuses, receiving $4,200 from college officials and lobbyists and $481 from students.

One source of support was Salish Kootenai College, an American Indian institution in his district, where 10 administrators and faculty members gave $338, four students pitched in $13, and an additional 37 people, who failed to report whether they were staff members or students, gave $588.

Joe McDonald, Salish Kootenai's president, said the donations reflected appreciation for Mr. Williams's strong support for tribally controlled colleges. "He's been a real leader for us," said Mr. McDonald.

Other college officials said their contributions were unrelated to their jobs. Karen Muselman, assistant dean of admissions at Taylor University, said she had contributed to Senator Coats because she liked his overall approach to politics. "I feel he's doing a good job for the family," she said.

Jack Goodman provided research assistance for this article.

Role of NEA, NEH Peer-Review Panels Questioned

WASHINGTON

A key lawmaker last week questioned the role of senior government officials in awarding and rejecting grants at the National Endowment for the Arts and the National Endowment for the Humanities.

Rep. Sidney R. Yates, a Democrat from Illinois, said that lawmakers and humanities scholars had been "deluding themselves" for the last 27 years in thinking that peer-review panels were meant to play a lead role in deciding what grants receive support from the endowments.

Speaking at a budget hearing on the humanities endowment, Representative Yates said: "Ever since the endowments were founded in 1965, we have taken the position that it is the panels who really decide what grants get funded."

'An Advisory Role'

Mr. Yates, who is chairman of the House appropriations subcommittee that oversees the NEH and the NEA, added: "It seems that we have assumed that these panels play a guiding role, when in fact they simply play an advisory role. In reality the buck stops with the chairman."

Mr. Yates cited recent charges that Lynne V. Cheney, the NEH chairman, had politicized the agency and blocked the awarding of grants to controversial or non-traditional scholars (*The Chronicle*, April 22).

At the hearing, Mrs. Cheney denied the charges and said that many good proposals were rejected because of the limited supply of funds.

Mrs. Cheney said the NEH was able to support only 20 per cent of the applications it receives. "More projects with fundable grades come out of the peer panels than can be funded," she said. "For every one successful applicant, there are four who are left unhappy," she added.

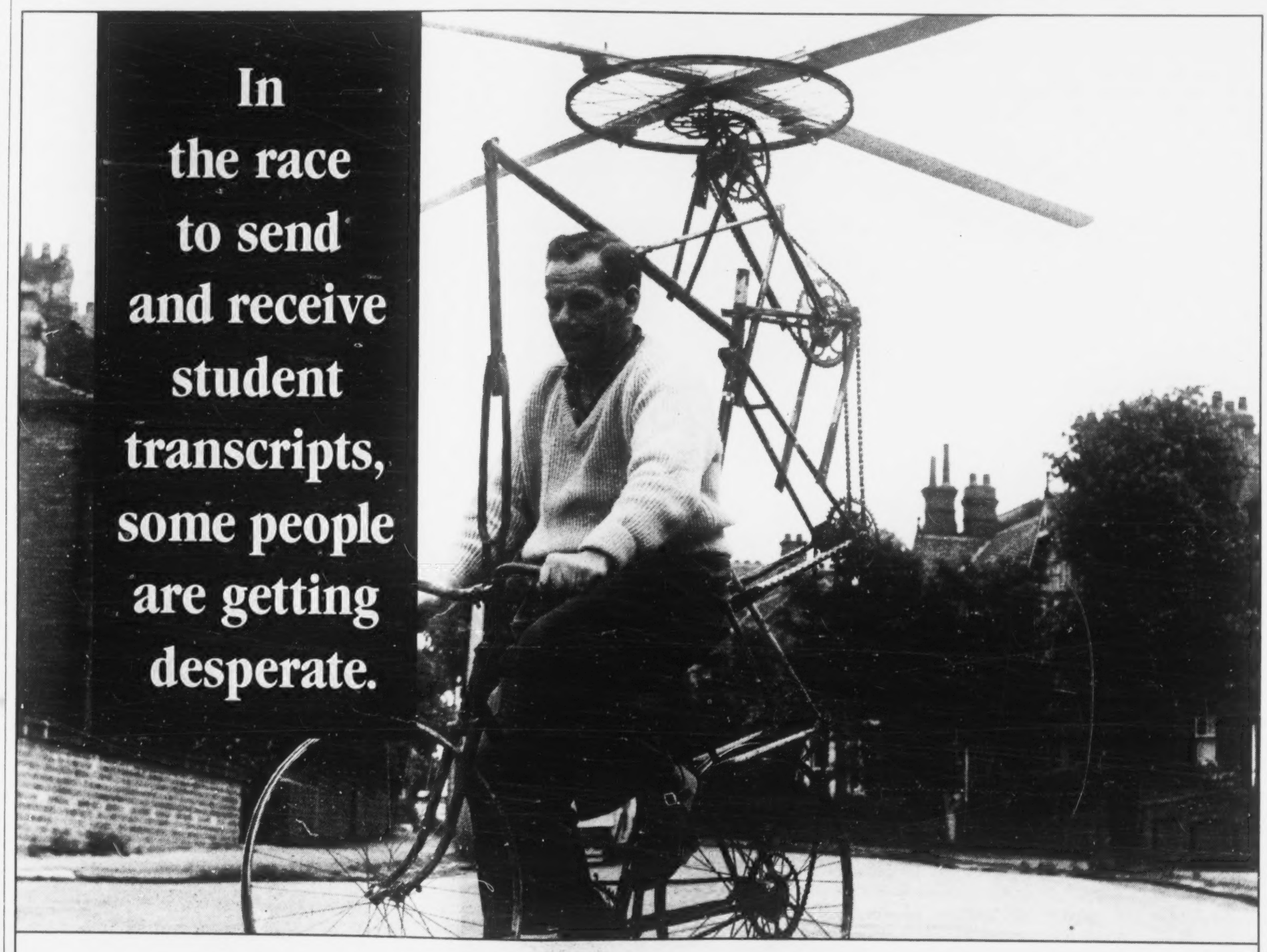
She did acknowledge that grant applications that receive an overwhelmingly positive recommendation from peer-review panels could still be killed by the NEH staff, by the NEH advisory council, or by her own action.

'I'm Sure It Has Happened'

"I'm sure it has happened," she responded when asked by Representative Yates if projects that received top ratings had later been rejected.

Rep. Ralph Regula, a Republican from Ohio, said he saw no problem with Mrs. Cheney's having the final say over grants because she needed to be "accountable" for decisions at the endowment. "How can you hold a peer-review panel accountable?" he asked.

—STEPHEN BURD



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Business & Philanthropy

Give & Take

Clark University may be the first university to step forward with a plan to reverse its divestment policy.

Clark's Board of Trustees voted this month to reinvest some of the campus's $56-million endowment in companies that do business in South Africa, once a multiracial, interim government is formed there.

Several colleges are now debating whether to reverse their divestment policies, but others plan to wait until South Africa adopts a new constitution that insures equal rights for blacks. Clark officials say their action endorses the continuing negotiations between black leaders and the white government that will further dismantle apartheid.

When it adopted its divestment policy in 1986, Clark was among the first U.S. colleges to divest. The policy's reversal was based on the unanimous recommendations of the board's Committee on Shareholder Responsibility. Among other strategies, the trustees encourage investments in venture-capital pools that provide money to help black South African entrepreneurs start new companies.

"Apartheid is an economic system as well as a political one," says Sumner B. Tilton, Jr., the board's chairman. "The only thing that will aid a transformation in South Africa is growth—and that growth is achievable only through a redistribution of wealth."

■

The University of Iowa has said No Thanks to a $20,000 annual gift from a donor who wanted the former Ku Klux Klan leader David Duke to speak on the campus.

About a year ago, Bernard Alchon established the Guy and Maude Alchon Memorial Forum, in memory of his parents, through which he paid for speakers to be brought to the campus. Last year, the forum sponsored appearances by former President Carter and former Education Secretary William J. Bennett.

Later Mr. Alchon, a 1936 Iowa alumnus, offered the college $20,000 annually in perpetuity to pay for campus speakers. Mr. Alchon also said he planned to invite Mr. Duke to the campus.

The University Lecture Committee—a group of students that approves guest speakers—opposed the invitation because of the controversial views of Mr. Duke, who made an unsuccessful bid for the Presidency this year. Mr. Alchon invited Mr. Duke anyway.

Campus officials told Mr. Alchon they would not accept his money because he had ignored the student committee's decision.

In an interview with *The Des Moines Register*, Mr. Alchon said he would give the money for the forum to another university. *The Register* quoted Mr. Alchon as saying: "I am sickened and outraged that a living memorial to my parents and a gift to my alma mater has been so callously thrown aside for no discernible, credible reason."

Private Giving to Colleges Rose by 4% in 1990-91

Recession is blamed for decline from 1989-90's 10% increase

By JULIE L. NICKLIN

Despite the recession, private giving to the nation's colleges and universities increased 4 per cent in 1990-91, to $10.2-billion.

The growth rate in 1989-90 was 10 per cent, and donations from alumni, friends, foundations, and corporations totaled $9.8-billion. Fund raisers said the latest figures reflected the impact of the recession: Donors had been reluctant to give. Yet several officials said the total amount was actually higher than they had anticipated.

"Given the economic circumstances, the 4-per-cent increase probably wasn't bad," said M. Joe Roberson, associate vice-president for development at the University of Michigan. "That 10 per cent isn't going to be an every-year thing anyway."

The figures, released this month by the Council for Aid to Education, cover the year ending June 30, 1991. The 4-per-cent growth represented the second-smallest increase in private giving to higher education in 10 years.

CHRIS HILDRETH, CORNELL U.

Inge T. Reichenbach of Cornell: "We achieved without having individual large gifts. There we saw the impact of the economy. We just didn't see the gifts materialize."

'It's a Simple Aberration'

Last year's increase did not keep up with the rate of inflation, which averaged nearly 5 per cent for 1990-91. When adjusted for inflation, total donations to colleges actually declined 1 per cent, according to the council.

Although many fund raisers said they were not alarmed by last year's decline, they conceded that attracting private gifts had become even more crucial because income from such sources as tuition and federal and state governments was no longer increasing at the rates enjoyed in the past. And many do worry not only about how economic fluctuations can slow gifts, but also about the growing number of groups that are competing for private dollars.

In 1990-91, 5 of the top 20 college fund raisers reported declines, compared with 1989-90, when only one did.

Harvard University, higher education's top fund raiser for the past two years, saw its total donations drop 8 per cent, to $195.6-million—from $213.5-million in 1989-90.

"It's a simple aberration," said Thomas M. Reardon, Harvard's director of university development. "The gift stream is never on an even slope." Mr. Reardon said much of Harvard's drop could be attributed to an 8-per-cent decline in bequests to the university.

A drop was also reported by Stanford University, the second-most-successful fund raiser, whose total fell 11 per cent to

Continued on Following Page

Editor Disputes University's Claim That Budget Ax Killed His Magazine

MOSCOW, IDAHO

Stephen Lyons struck a nerve last year when he wrote an article that criticized universities for turning alumni magazines into fund-raising vehicles. Mr. Lyons talked at length about the magazine he edited—*Idaho: the University*.

This month, Mr. Lyons learned that the University of Idaho had decided that the magazine was too expensive and that it would cease publication after the summer issue. The university's current tabloid publication, *At Idaho*, will be expanded to take the magazine's place. As of this summer, Mr. Lyons will be out of a job.

Coincidence? Mr. Lyons thinks not. "I think I'm being fired for the two articles I wrote," said Mr. Lyons, referring to an opinion piece in *The Chronicle of Higher Education* (February 13, 1991), and, more recently, an article in the May issue of *Currents*, the magazine of the Council for Advancement and Support of Education. "The practice of freedom of speech at Idaho is effectively dead for non-tenured staff."

Harry Peterson, Idaho's vice-president for university relations and development, said the university's decision had nothing to do with Mr. Lyons's articles. "It has to do with significant budget restrictions and the need to accomplish the same or more with less," he said, noting that other programs and positions at the university were also being eliminated.

Mailed to 63,000 Alumni

The quarterly magazine costs about $106,000 a year to publish and mail to 63,000 alumni. Donations to the university's foundation pay for the magazine and will pay for the $75,000 annual budget of the tabloid as well.

In a letter to alumni last week, Mr. Peterson said the university estimated that the cost of the magazine in its current format would increase by about $9,000 a year.

Mr. Lyons's piece for *The Chronicle* prompted a flurry of letters to Mr. Lyons and this newspaper from outraged fund raisers. He argued that most readers were not fooled by "the P. T. Barnum approach to public relations or fund raising. They enjoy being treated as a thoughtful, discerning public, not pieces of donor meat."

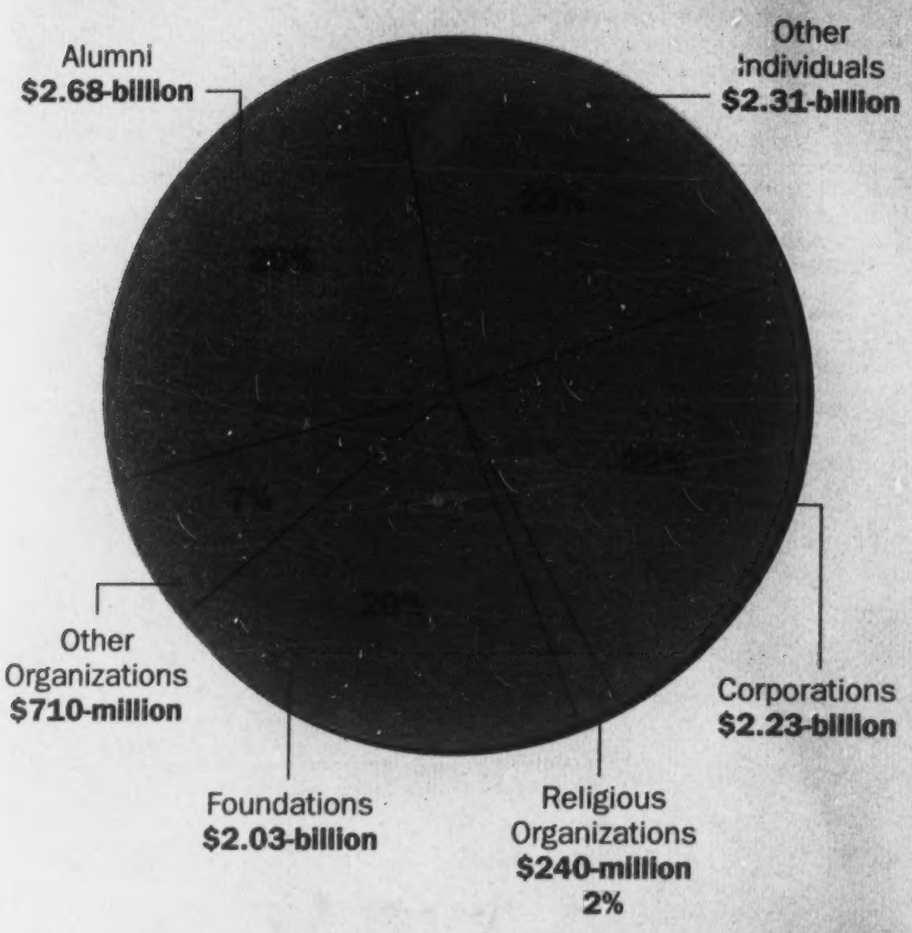
In his *Currents* article, Mr. Lyons reiterated his criticisms of editors who make fund raising their primary goal and said he regretted not making his original article stronger.

Before the *Currents* article was published, Mr. Peterson contacted the magazine's editors to express his concerns about a particular passage, according to Mr. Lyons and Karla Taylor, the editor in

Continued on Following Page

Voluntary Support of Higher Education

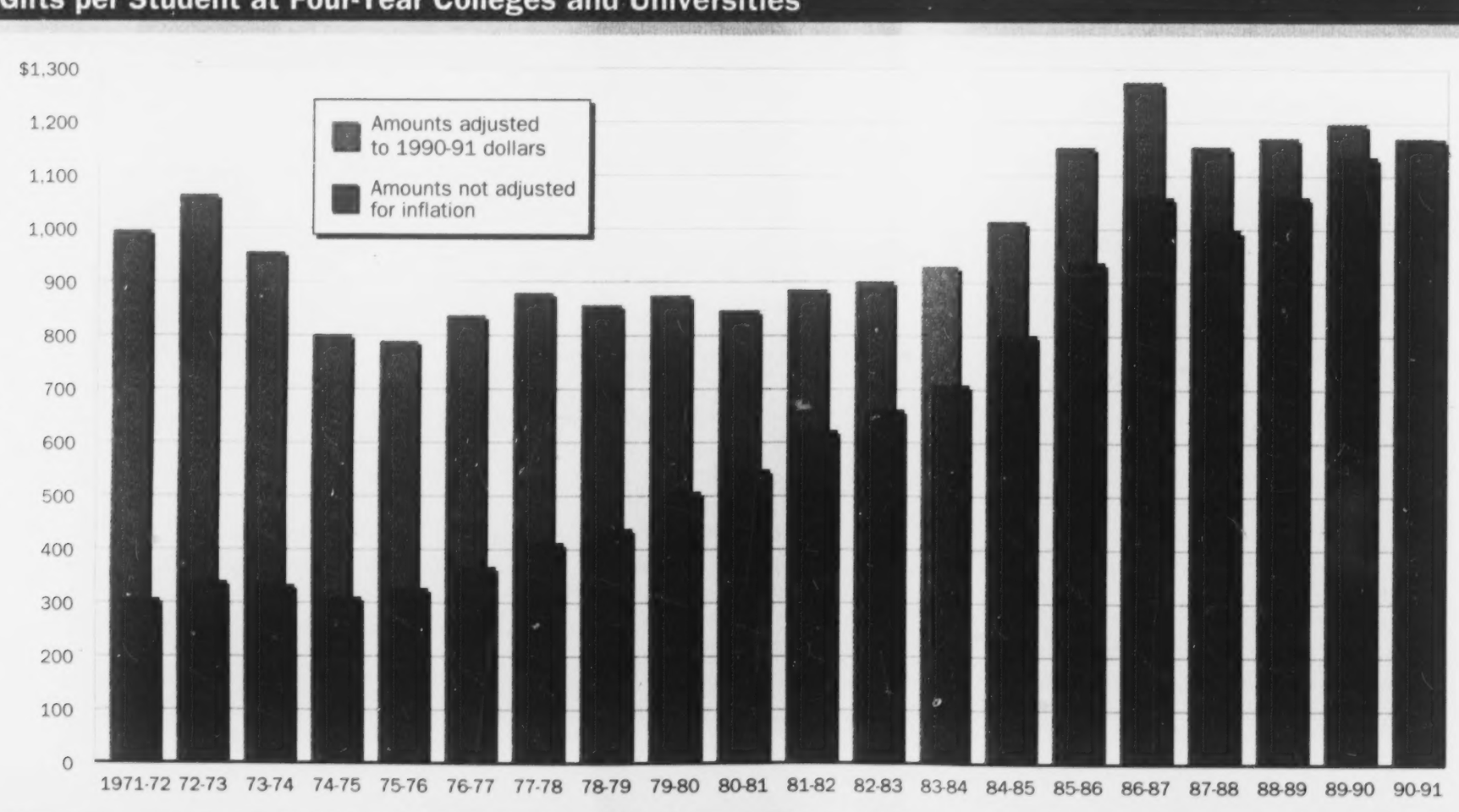
Sources of Gifts to Higher Education in 1990-91



Top Fund Raisers in 1990-91

Institution	Amount	Amount per student
Harvard University	$195,582,616	$7,937
Stanford University	180,922,249	12,662
Cornell University	177,075,032	8,850
University of Pennsylvania	143,384,123	6,546
Yale University	132,416,904	12,213
University of Wisconsin–Madison	128,394,787	2,980
Columbia University	128,241,788	7,030
University of California–Berkeley	117,656,562	3,840
Duke University	113,693,144	10,391
Massachusetts Institute of Technology	110,307,644	11,457
University of Minnesota	109,131,731	1,493
University of Washington	102,831,966	3,066
Johns Hopkins University	100,437,183	7,157
University of Michigan	94,789,039	1,869
University of Southern California	94,303,629	3,324
Indiana University	90,901,034	985
University of Illinois	89,589,324	1,419
Princeton University	88,288,317	13,901
New York University	87,555,158	1,844
University of Chicago	82,185,081	7,405
Ohio State University	74,295,747	1,226
California Institute of Technology	73,155,633	39,310
Northwestern University	70,849,657	5,311
University of Texas–Austin	68,055,605	1,372
Samford University	66,413,849	15,950

Gifts per Student at Four-Year Colleges and Universities



Gifts by Type of Institution

	1989-90			1990-91			
	Number of institutions	Amount	Average per institution	Number of institutions	Amount	Average per institution	Change in average
Research	178	$5,456,550,000	$30,655,000	186	$5,779,403,000	$31,072,000	+1.4%
Private	70	2,894,438,000	41,349,000	67	2,994,139,000	44,689,000	+8.1
Public	108	2,562,111,000	23,723,000	119	2,785,264,000	23,406,000	–1.3
Comprehensive	326	924,462,000	2,836,000	328	1,013,381,000	3,090,000	+9.0
Private	175	642,969,000	3,674,000	178	718,345,000	4,036,000	+9.8
Public	151	281,493,000	1,864,000	150	295,036,000	1,967,000	+5.5
Liberal arts	325	1,288,881,000	3,966,000	316	1,287,339,000	4,074,000	+2.7
Private	318	1,283,167,000	4,035,000	308	1,281,198,000	4,160,000	+3.1
Public	7	5,714,000	816,000	8	6,141,000	768,000	–6.0
Specialized	107	417,214,000	3,899,000	89	403,834,000	4,537,000	+16.4
Private	91	254,233,000	2,794,000	74	268,657,000	3,631,000	+30.0
Public	16	162,981,000	10,186,000	15	135,177,000	9,012,000	–11.5
Two-year	123	86,917,000	707,000	127	74,818,000	589,000	–16.6
Private	26	25,799,000	992,000	21	13,765,000	655,000	–33.9
Public	97	61,118,000	630,000	106	61,054,000	576,000	–8.6
All institutions	**1,059**	**$8,174,023,000**	**$7,719,000**	**1,046**	**$8,558,775,000**	**$8,182,000**	**+6.0%**

SOURCE: Council for Aid to Education

CHRONICLE CHART BY JOJO GRAGASIN

Private Giving to Colleges Rose by 4% in 1990-91

Continued From Preceding Page

$180.9-million. In 1989-90, Stanford raised $202.2-million.

Stanford officials said two factors explained the drop. Several large gifts in 1989-90 boosted that year's total. A decline in gifts from corporations and foundations in 1990-91 hurt that year's total.

Even though some companies and foundations didn't give to Stanford because of its problems with the federal government over the overhead costs of research, gifts were down largely because of the recession, campus officials said. Despite those factors, Stanford closed its five-year, $1.1-billion campaign in February, with $1.3-billion in gifts and pledges.

"When you are looking at as much economic uncertainty as many donors are facing, it's not surprising that giving would slide," said John B. Ford, Stanford's vice-president for development. "Private giving is the revenue stream with the most elasticity. But even that elasticity has some limits."

A Good Year for Some

For other colleges, 1990-91 was a good year. Cornell University, which ranked third in total giving, saw donations increase 10 per cent. The total reached $177.1-million, up from $161.3-million in 1989-90.

Inge T. Reichenbach, Cornell's director of university development, attributed the growth to increased giving by various donor groups—not from one or two major gifts. Because Cornell is in the

Editor Disputes University's Claim

Continued From Preceding Page

chief of *Currents*. Ms. Taylor said Mr. Peterson had objected to the naming of a particular development officer at Idaho.

After Mr. Peterson talked to Mr. Lyons, the specific reference was removed. Ms. Taylor said Mr. Peterson's request was not an attempt to have the article withheld. "His request didn't seem unreasonable to me," Ms. Taylor said.

Mr. Lyons said that he had agreed to make the change, but that he had "had problems with them contacting the editors behind my back."

Tom Hager, editor of the magazine of the University of Oregon, who served with Mr. Lyons on a CASE panel about alumni magazines earlier this year, said he believed the university's decision to eliminate the magazine was not based on strictly financial reasons. "There are viable budgetary reasons to do just about anything a university wants to do," Mr. Hager said. "But my guess would be that there was some political content to the decision."

Mr. Lyons, a 1986 graduate of the university, served as the magazine's editor that year and from 1988 to the present. He said he was "talking to some people" about legal action against the university.

—LIZ McMILLEN

midst of a five-year, $1.25-million campaign, she said, the fund-raising momentum has been strong.

But the recession was felt at Cornell, too. Gifts in the $5-million to $10-million range were down last year, Ms. Reichenbach said.

"We achieved without having individual large gifts," Ms. Reichenbach said. "There we saw the impact of the economy. We just didn't see the gifts materialize."

13% Increase at Michigan

The University of Michigan also had a successful year, increasing donations by 13 per cent to $94.8-million. Fund raisers said they had been aggressively seeking gifts in a two-year "quiet phase" of a campaign for $750-million—or more—that will be publicly announced this fall.

Like many public institutions, the university has experienced budget cuts and hopes to increase its revenue through gifts. Campus officials expect no cuts—and no growth—in money from the state for 1993.

"When you are in an environment where you say, 'Hot dog!' to zero budget growth, you need more gifts," said the university's Mr. Roberson. "Private giving is taking on an increasing—almost private-college—importance."

Of the top 25 fund raisers in 1990-91, the California Institute of Technology brought in the largest amount of money per student, with $39,310 for each of the 1,861 people enrolled. Samford University, which saw donations grow a whopping 695 per cent largely because of gifts totaling $53-million from the estate of Ralph W. Beeson, a life-insurance executive, raised $15,950 for each of its 4,164 students. Princeton University ranked third, with $13,901 for each of its 6,351 students.

Although giving from most sources was up, the increases were not as great as in 1989-90. Alumni donations rose 6 per cent, compared with 11 per cent in 1989-90. Non-alumni gifts grew 4 per cent, compared with 7.5 per cent the previous year. Foundations increased their support 6 per cent, less than the 10-per-cent gain in 1989-90. Corporate gifts were up 3 per cent, compared to 11 per cent the year before.

Bleak Expectations

Fund raisers were pleased with the 10-per-cent growth in private donations in 1989-90, marking the second year of recovery from a 3.5-per-cent drop in 1988. They had expected a bleak fiscal 1991 because the recession hit hardest that year.

Some fund raisers are already predicting better results for the current fiscal year—and the next—as the recession loosens its hold on the economy. Several universities say fund-raising totals this year are running 2 to 5 per cent ahead of last year at this time—with more than a month to go.

Many development officials remain worried about competition from the growing number of organizations that are seeking money from the private sector.

For the past few years, Caltech has seen about 70 per cent of its proposals accepted by foundations. But officials said the interest of foundations in, among other areas, primary and secondary education had caused that rate to drop.

"We have to fight harder for the dollars we get," said Tom Gelder, Caltech's director of development. "Our fund raisers are spending more time trying to raise dollars."

A total of 1,059 colleges and universities participated in the survey, which was also sponsored by the Council for Advancement and Support of Education and the National Association of Independent Schools.

A two-volume report of the survey, "Voluntary Support of Education, 1991," will be available for $50 each prepaid, or $35 for survey participants, in late June from CFAE, 51 Madison Avenue, Suite 2200, New York 10010. ■

PRIVATE SUPPORT

ANNENBERG FOUNDATION
St. Davids Center
150 Radnor-Chester Road
St. Davids, Pa. 19087
Communications. For programs in communications: $24.6-million to U. of Southern California.

EWING HALSELL FOUNDATION
711 Navarro Street
San Antonio Bank and Trust Building
San Antonio 78205
Education. For a project to improve elementary education in San Antonio public schools: $1.75-million to Trinity U. (Tex.).

INTEL FOUNDATION
c/o Intel Corporation
3065 Bowers Avenue
P.O. Box 58065
Santa Clara, Cal. 95052-8121
Engineering. For a fellowship in the college of engineering: $400,000 to U. of California at Berkeley.

JAMES M. JOHNSTON TRUST
1101 Vermont Avenue, N.W.
Washington 20005
Support. For support of programs: $8.65-million to U. of North Carolina at Chapel Hill.

SIEBERT LUTHERAN FOUNDATION
2600 North Mayfair Road
Wauwatosa, Wis. 53226
Support. For support of programs: $1-million, over four years, to Carthage College (Wis.).

TODD WEHR FOUNDATION
111 East Wisconsin Avenue
Milwaukee 53202
Facilities. For renovation of the Student Life and Campus Center: $500,000 to Milwaukee School of Engineering.

GIFTS & BEQUESTS

Converse College. For support of programs: $643,800 from the estates of Alma and T. R. Garrison.

Davidson College. For a professorship in mathematics or the physical sciences: $1-million from Textron Inc.
Institute for Advanced Study. For support of programs: $10-million from the estate of Gladys Krieble Delmas.
Iowa State University. To endow a carillonneur professorship: $250,000 from Des Moines–area alumni.
Peace College. For scholarships: $856,606 from the estate of Sally V. Blalock Beard.
Rhodes College. For support of programs: $2.5-million from the estate of Rachel Milani Clough.
University of Florida. For acquisitions for the museum of art: $1-million from James G. and Caroline Julier Richardson.
University of Kansas. For track scholarships: $315,000 from Kermit D. and Beverly B. Hollingsworth.
University of North Dakota. For support of programs: $400,000 from Paul and Marian Hewitt Gislason.
University of Oregon. For the department of art history: $1.2-million from the estate of Marion Dean Ross.
University of Richmond. For a professorship in mathematics: $2.3-million from the estate of Mary Saunders Richardson.
Whitman College. For scholarships: $1-million from Frances Penrose Owen.

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"Contrary to those snobs among intellectuals and campaign consultants who view voters as unwashed clods, scholarly research of recent years demonstrates that the electorate acts reasonably."
A professor of political science, on electoral reform: B1

"We're just trying to figure out where the bleeding's going to stop."
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"The highly intrusive language of the bill micromanages some of NIH's important programs."
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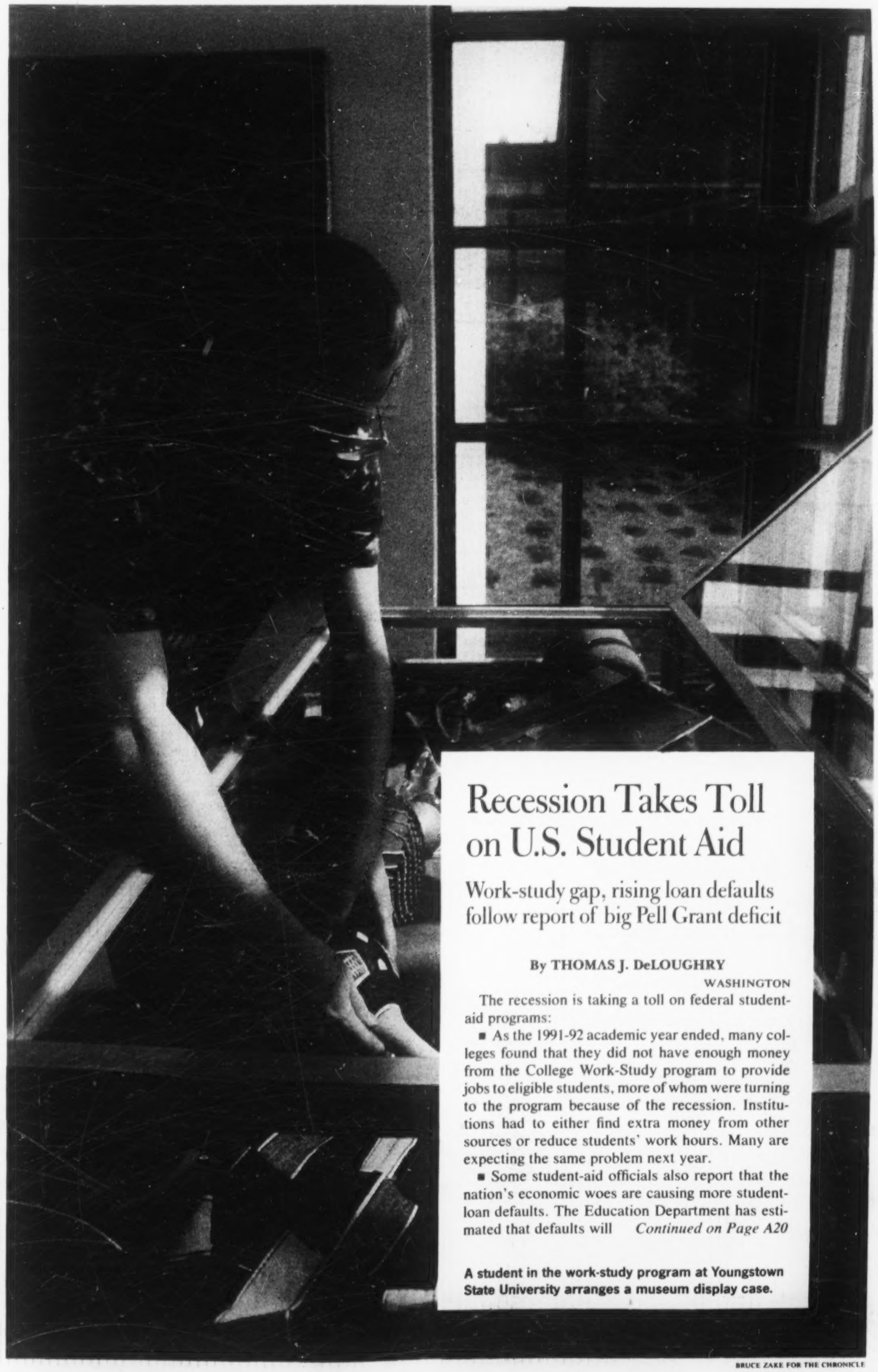

BRUCE ZAKE FOR THE CHRONICLE

Recession Takes Toll on U.S. Student Aid

Work-study gap, rising loan defaults follow report of big Pell Grant deficit

By THOMAS J. DeLOUGHRY

WASHINGTON

The recession is taking a toll on federal student-aid programs:

- As the 1991-92 academic year ended, many colleges found that they did not have enough money from the College Work-Study program to provide jobs to eligible students, more of whom were turning to the program because of the recession. Institutions had to either find extra money from other sources or reduce students' work hours. Many are expecting the same problem next year.
- Some student-aid officials also report that the nation's economic woes are causing more student-loan defaults. The Education Department has estimated that defaults will *Continued on Page A20*

A student in the work-study program at Youngstown State University arranges a museum display case.